

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; REQUIRING EMPLOYERS TO OFFER HEALTH INSURANCE TO BE ELIGIBLE FOR INDUSTRIAL REVENUE BONDS OR IN-PLANT TRAINING FUNDS; AMENDING SECTIONS OF THE NMSA 1978.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 3-32-7 NMSA 1978 (being Laws 1965, Chapter 300, Section 14-31-4, as amended) is amended to read:

"3-32-7. BONDS ISSUED TO FINANCE PROJECTS.--

A. Bonds issued by a municipality under authority of the Industrial Revenue Bond Act shall not be the general obligation of the municipality within the meaning of Article 9, Sections 12 and 13 of the constitution of New Mexico. The bonds shall be payable solely out of the revenue derived from the projects for which the bonds are issued. Bonds and interest coupons, if any, issued under authority of the Industrial Revenue Bond Act shall never constitute an indebtedness of the municipality within the meaning of any state constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the municipality or a charge against its general credit or taxing powers, and such fact shall be plainly stated on the face of each bond.

B. The bonds may be executed and delivered at any time, and from time to time, may be in such form and denominations, may be of such tenor, may be in registered or bearer form either as to principal or interest or both, may be payable in such installments and at such time or times not exceeding thirty years from their date, may be payable at such place or places, may bear interest at such rate or rates payable at such place or places and evidenced in such manner and may contain such provisions not inconsistent with the Industrial Revenue Bond Act, all as shall be provided in the ordinance and proceedings of the governing body under which the bonds are authorized to be issued.

C. Bonds issued under the authority of the Industrial Revenue Bond

1 Act may be sold at public or private sale in such manner and from time to time as may  
2 be determined by the governing body to be most advantageous, and the municipality  
3 may pay all expenses, attorney, engineering and architects' fees, premiums and  
4 commissions that the governing body may deem necessary or advantageous in  
5 connection with the authorization, sale and issuance of the bonds.

6 D. Bonds issued under the authority of the Industrial Revenue Bond  
7 Act and all interest coupons applicable thereto, if any, shall be construed to be  
8 negotiable.

9 E. A bond shall not be issued by a municipality having a population of  
10 more than forty thousand according to the most recent decennial census to finance a  
11 project that is valued at eight million dollars (\$8,000,000) or more unless an employer  
12 of the project:

13 (1) offers to its employees and their dependents health  
14 insurance coverage that is in compliance with the New Mexico Insurance Code or a  
15 comparable health benefits plan pursuant to the federal Employee Retirement Income  
16 Security Act of 1974; and

17 (2) contributes not less than fifty percent of the premium for the  
18 health care coverage for those employees who choose to enroll; provided that the fifty  
19 percent employer contribution shall not be a requirement for the dependent coverage  
20 that is offered."

21 Section 2. Section 4-59-5 NMSA 1978 (being Laws 1975, Chapter 286,  
22 Section 5, as amended) is amended to read:

23 "4-59-5. BONDS ISSUED TO FINANCE PROJECTS.--

24 A. Bonds issued by a county under authority of the County Industrial  
25 Revenue Bond Act shall not be the general obligation of the county within the meaning  
of Article 9, Sections 10 and 13 of the constitution of New Mexico. The bonds shall be  
payable solely out of the revenue derived from the projects for which the bonds are  
issued. Bonds and interest coupons, if any, issued under authority of the County  
Industrial Revenue Bond Act shall never constitute an indebtedness of the county

1 within the meaning of any state constitutional provision or statutory limitation and shall  
2 never constitute or give rise to a pecuniary liability of the county or a charge against  
3 its general credit or taxing powers, and such fact shall be plainly stated on the face of  
4 each bond.

5 B. The bonds may be executed and delivered at any time, and from  
6 time to time, may be in such form and denominations, may be of such tenor, may be in  
7 registered or bearer form either as to principal or interest or both, may be payable in  
8 such installments and at such time or times not exceeding thirty years from their date,  
9 may be payable at such place or places, may bear interest at such rate payable at  
10 such place or places and evidenced in such manner and may contain such provisions  
11 not inconsistent with this section, all as shall be provided in the ordinance and  
12 proceedings of the commission under which the bonds shall be authorized to be  
13 issued.

14 C. The bonds issued under the authority of the County Industrial  
15 Revenue Bond Act may be sold at public or private sale in such manner and from time  
16 to time as may be determined by the commission to be most advantageous, and the  
17 county may pay all expenses, attorney, engineering and architects' fees, premiums  
18 and commissions that the commission may deem necessary or advantageous in  
19 connection with the authorization, sale and issuance of the bonds.

20 D. The bonds issued under the authority of the County Industrial  
21 Revenue Bond Act and all applicable interest coupons shall be construed to be  
22 negotiable.

23 E. A bond shall not be issued by a class A county to finance a project  
24 unless an employer of the project that is valued at eight million dollars (\$8,000,000) or  
25 more:

(1) offers to its employees and their dependents health  
insurance coverage that is in compliance with the New Mexico Insurance Code; and

(2) contributes not less than fifty percent of the premium for  
the health insurance for those employees who choose to enroll; provided that the fifty

1 percent employer contribution shall not be a requirement for the dependent coverage  
2 that is offered."

3 Section 3. Section 21-19-7 NMSA 1978 (being Laws 1983, Chapter 299,  
4 Section 1, as amended) is amended to read:

5 "21-19-7. DEVELOPMENT TRAINING.--

6 A. The economic development department shall establish a  
7 development training program that provides  
8 quick-response classroom and in-plant training to furnish qualified manpower  
9 resources for new or expanding industries and non-retail service sector businesses in  
10 New Mexico that have business or production procedures that require skills unique to  
11 those industries. Training shall be custom designed for, and based on the special  
12 requirements of, each company. The program shall be operated on a statewide basis  
13 and shall be designed to assist any area in becoming more competitive economically.

14 B. There is created the "industrial training board" composed of:

15 (1) the director of the economic development division of the  
16 economic development department;

17 (2) the director of the vocational education division of the state  
18 department of public education;

19 (3) the director of the job training division of the labor  
20 department;

21 (4) the executive director of the commission on higher  
22 education;

23 (5) one member from organized labor appointed by the  
24 governor; and

25 (6) one public member from the business community appointed  
by the governor.

C. The industrial training board shall establish policies and promulgate  
rules for the administration of appropriated funds and shall provide review and  
oversight to assure that funds expended from the development training fund will

1 generate business activity and give measurable growth to the economic base of New  
2 Mexico within the legal limits preserving the ecological state of New Mexico and its  
3 people.

4 D. Subject to the approval of the industrial training board, the  
5 economic development division of the economic development department shall:

6 (1) administer all funds allocated or appropriated for industrial  
7 development training purposes;

8 (2) provide designated training services;

9 (3) regulate, control and abandon any training program  
10 established under the provisions of this section;

11 (4) assist companies requesting training in the development of  
12 a training proposal to meet the companies' manpower needs;

13 (5) contract for the implementation of all training programs;

14 (6) provide for training by educational institutions or by a  
15 company through in-plant training, at that company's request; and

16 (7) evaluate training efforts on a basis of performance  
17 standards set forth by the industrial training board.

18 E. The vocational education division of the state department of public  
19 education shall provide technical assistance to the economic development department  
20 concerning the development of agreements, the determination of the most appropriate  
21 instructional training to be provided and the review of training program implementation.

22 F. The state shall contract with a company or an educational institution  
23 to provide training or instructional services in accordance with the approved training  
24 proposal and within the following limitations:

25 (1) payment shall not be made for training in excess of one  
thousand forty hours of training per trainee for the total duration of training;

(2) training applicants shall have resided within the state for a  
minimum of one year immediately prior to the commencement of the training program  
and be of legal status for employment; provided, however, that prior to July 1, 2004,

1 the residency requirements may be waived in part for projects within New Mexico  
2 communities located within fifty miles of the state border if the project meets the  
3 following criteria:

- 4 (a) the project will employ more than one thousand five  
5 hundred employees;
- 6 (b) the resident labor force within a fifty-mile radius of  
7 the project location is not sufficient to fill the full-time-equivalent position requirements  
8 of the project as determined by the labor department;
- 9 (c) preference for training shall be given to New Mexico  
10 residents; and
- 11 (d) no less than fifty percent of the project's work force  
12 shall be residents of New Mexico;

13 (3) payment for institutional classroom training shall be made  
14 pursuant to any accepted training contract for a qualified training program;

15 (4) payment shall not be made pursuant to any accepted  
16 training contract for rental of facilities unless facilities are not available on site or at the  
17 educational institution;

18 (5) all applicants shall be eligible under the federal Fair Labor  
19 Standards Act of 1938, as amended, and shall not have terminated a public school  
20 program within the past three months except by graduation;

21 (6) trainees shall be guaranteed full-time employment with the  
22 contracted company upon successful completion of the training;

23 (7) persons employed to provide the instructional services  
24 shall be exempt from the minimum requirements established in the state plan for other  
25 state vocational programs;

(8) payment shall not be made for training programs or  
production of Indian jewelry or imitation Indian jewelry unless a majority of those  
involved in the training program or production are of Indian descent; and

(9) if a company hires twenty or more trainees, payment shall

1 not be made for training in a municipality having a population of more than forty  
2 thousand according to the most recent decennial census or a class A county unless  
3 the company:

- 4 (a) offers its employees and their dependents health  
5 insurance coverage that is in compliance with the New Mexico Insurance Code; and
- 6 (b) contributes not less than fifty percent of the  
7 premium for the health insurance for those employees who choose to enroll; provided  
8 that the fifty percent employer contribution shall not be a requirement for the  
9 dependent coverage that is offered."

10 Section 4. EFFECTIVE DATE.--The effective date of the provisions of this act  
11 is January 1, 2004.

12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25